

BILL ANALYSIS

H.B. 2033
By: Menendez
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Building and Procurement Commission is required to develop an annual report of contracts awarded to historically underutilized businesses (HUBs), and state agencies are required to establish goals to increase contracting with HUBs. However, many agencies treat investment brokerage services as “professional services” rather than as “contract services,” and do not include such services for purposes of HUB reporting. As a result, the goals for HUB procurement often do not include the services of HUB brokerage vendors, which could result in fewer brokerage contracts being awarded to HUB vendors. The purpose of House Bill 2033 is to amend the Government Code by adding the definition of “contract” as including an arrangement under which a state agency receives professional or investment brokerage services. This will bring brokerage services under HUB contracting and reporting guidelines.

RULEMAKING AUTHORITY

It is the committee’s opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 2033 amends Section 2161.001 of the Government Code by adding subdivision (4) which defines “contract” as including an arrangement under which a state agency receives professional or investment brokerage services.

EFFECTIVE DATE

September 1, 2003.

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